

INSURANCE DIVISION[191]

Notice of Intended Action

Proposing rule making related to licensing sanctions regarding student loan debt or related service obligations and providing an opportunity for public comment

The Insurance Division hereby proposes to amend Chapter 50, “Regulation of Securities Offerings and Those Who Engage in the Securities Business,” Chapter 55, “Licensing of Public Adjusters,” and Chapter 100, “Sales of Cemetery Merchandise, Funeral Merchandise and Funeral Services,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code chapter 523A and 2019 Iowa Acts, Senate File 304.

State or Federal Law Implemented

This rule making implements, in whole or in part, 2019 Iowa Acts, Senate File 304.

Purpose and Summary

During the 2019 Legislative Session, a change was made to the Iowa Code which resulted in the repeal of Iowa Code sections 261.121 through 261.127, effective July 1, 2019. These Iowa Code sections had required the Division to take action against a person to whom it issues a license who is in default or is delinquent on repayment or a service obligation under federal or state postsecondary educational loans or private services-conditional postsecondary tuition assistance solely on the basis of such default or delinquency. This proposed rule making implements this change by rescinding Division rules that implemented Iowa Code sections 261.121 through 261.127.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

The Division’s general waiver provisions of 191—Chapter 4 apply to these rules.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Division no later than 4 p.m. on November 12, 2019. Comments should be directed to:

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Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Rescind and reserve rule **191—50.53(261)**.

ITEM 2. Amend paragraph **55.9(5)“c”** as follows:

c. A licensed public adjuster shall report to the division all ~~college student aid commission or child support recovery unit~~ actions taken under or in connection with Iowa Code chapter ~~261 or 252J~~ and all court orders entered in such actions.

ITEM 3. Amend paragraph **55.12(1)“1”** as follows:

1. Failing to comply with an administrative or court order imposing a child support ~~or student loan~~ obligation, following procedures of rules 191—10.20(522B) and 191—10.21(522B), replacing the words “producer” with “public adjuster”;

ITEM 4. Amend subparagraph **100.10(3)“a”(2)** as follows:

(2) Failure to pay state debt, or child support ~~or student loan~~.

ITEM 5. Rescind and reserve subrule **100.17(6)**.

ITEM 6. Rescind and reserve paragraph **100.40(2)“k.”**